

**PERVEZ AHMED SECURITIES LIMITED**

**First Quarter Accounts  
for the Period Ended  
September 30, 2012**

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## Company Information

Board of Directors	Mr. Pervez Ahmed Mrs. Rehana Pervez Ahmed Mrs. Ayesha Ahmed Mansoor Mr. Ali Pervez Ahmed Mr. Hassan Ibrahim Ahmed Mr. Suleman Ahmed Mr. Muhammad Khalid Khan	Chief Executive
Audit Committee	Mr. Muhammad Khalid Khan Mrs. Ayesha Ahmed Mansoor Mr. Suleman Ahmed	Chairman
Chief Financial Officer	Mr. Muhammad Yousuf	
Company Secretary	Mr. Rizwan Atta	
Auditors	M/s Horwath Hussain Chaudhury & Co. Chartered Accountants	
Legal Advisor	Cornelius, Lane & Mufti Advocates & Solicitors	
Banks	Burj Bank Limited Dubai Islamic Bank Pakistan Limited MCB Bank Limited NIB Bank Limited Silk Bank Limited Summit Bank Limited	
Registered Office	20-K, Gulberg II, Lahore.	
Stock Exchange Office	Room No. 317, Third Floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.	
Share Registrars	THK Associates (Pvt.) Limited Ground Floor, State Life Building No 3, Dr. Ziauddin Ahmed Road, Karachi - 75530	
Website	<a href="http://www.pervezahmed.net">www.pervezahmed.net</a>	

## **DIRECTORS' REPORT**

On behalf of the Board of Directors of Pervez Ahmed Securities Limited, I present to you the Company's un-audited financial statements for the first quarter ended September 30, 2012.

### **Capital Market Review**

The first quarter of FY-2013 started well while KSE-100 index showed almost 12% gains. The foreign investors participated positively during the period July-Sep. 2012 with net foreign inflows exceeding US\$ 92 million. Trading volumes gained momentum in mid August that pushed the index further. Strong corporate results, declining interest rates, lowering inflation and the increased foreign interest were the key drivers for the market in this period.

### **Financial Results of the Company**

The Company earned profit of Rs. 1.23 million as against loss of Rs. 6.82 million during the corresponding period of last year. Profit for the period is mainly due to appreciation in value of short term investments. During the period Company has also settled its liability with MCB Bank Limited.

### **Future Outlook**

Besides the political and law and order challenges positive economic activity is expected on the back of lowering inflation and interest rates. We might see a stable positive development in the Karachi Stock market on the back of improving economic indicators.

### **Acknowledgement**

The Board is thankful to its valued shareholders for their confidence in the Company, its clients, the Securities & Exchange Commission of Pakistan and to the management of Karachi & Lahore Stock Exchanges for their valuable support, assistance and guidance. The Board also appreciates the employees of the Company for their dedication and hard work.

**For and on behalf of the Board**

**Lahore: October 31, 2012**

**Pervez Ahmad  
(Chief Executive)**

**PERVEZ AHMED SECURITIES LIMITED**

CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2012

	Note	Sep. 30 2012 (Un-Audited) Rupees	June 30 2012 (Audited) Rupees
<b>Non Current Assets</b>			
Property and equipment		914,381	978,177
Intangible assets		25,000,000	25,000,000
Long term investment in associate		85,481,434	85,481,434
Long term security deposits		<u>1,055,000</u>	<u>1,055,000</u>
		112,450,815	112,514,611
<b>Current Assets</b>			
Short term investments		15,075,405	12,809,661
Advances, tax refundable and other receivables		6,952,068	6,952,568
Bank balances		1,455,574	2,005,392
		23,483,047	21,767,621
<b>Current Liabilities</b>			
Trade and other payables		(534,257,227)	(530,861,629)
Accrued interest / mark up		(27,923,420)	(27,923,420)
Current & overdue portion of long term financing		-	(11,461,768)
Short term borrowings		<u>(116,402,699)</u>	<u>(107,940,931)</u>
		(678,583,346)	(678,187,748)
<b>Net Current Assets</b>		(655,100,299)	(656,420,127)
<b>Non Current Liabilities</b>			
Deferred liability		(3,087,373)	(3,061,623)
<b>NET ASSETS</b>		<u><b>(545,736,857)</b></u>	<u><b>(546,967,139)</b></u>
<b>REPRESENTED BY</b>			
Issued, subscribed and paid up capital		774,575,790	774,575,790
Share deposit money		293,400,120	293,400,120
Unappropriated losses		<u>(1,613,712,767)</u>	<u>(1,614,943,049)</u>
		(545,736,857)	(546,967,139)
<b>Contingencies and Commitments</b>	4	-	-
		<u><b>(545,736,857)</b></u>	<u><b>(546,967,139)</b></u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	July 1 to September 30 2012 (Un-Audited) Rupees	July 1 to September 30 2011 (Un-Audited) Rupees
Operating income - Net	179,527	-
Administrative expenses	(559,860)	(796,431)
<b>Operating (Loss)</b>	<b>(380,333)</b>	<b>(796,431)</b>
Finance cost	-	(4,506,300)
Other operating charges	(2,403)	(205,000)
Surplus / (deficit) on remeasurement of investments at fair value through profit and loss - Net	(382,736)	(5,507,731)
	<u>1,613,018</u>	<u>(1,311,726)</u>
<b>Profit / (loss) before Taxation</b>	<b>1,230,282</b>	<b>(6,819,457)</b>
Taxation	-	-
<b>Profit / (loss) after Taxation</b>	<b><u>1,230,282</u></b>	<b><u>(6,819,457)</u></b>
<b>Earning / (loss) per Share</b>	<b><u>0.02</u></b>	<b><u>(0.09)</u></b>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE  
INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	July 1 to September 30 2012 (Un-Audited) Rupees	July 1 to September 30 2011 (Un-Audited) Rupees
Profit / (Loss) after taxation	1,230,282	(6,819,457)
Other comprehensive income	-	-
<b>Total comprehensive income / (loss) for the quarter</b>	<b><u>1,230,282</u></b>	<b><u>(6,819,457)</u></b>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	July 1 to September 30 2012 (Un-Audited) Rupees	July 1 to September 30 2011 (Un-Audited) Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	1,230,282	(6,819,457)
Adjustments for:		
- Deficit / (surplus) on remeasurement of investments at fair value through profit and loss - Net	(1,613,018)	1,311,726
- Provision for gratuity	25,750	25,750
- Depreciation	63,795	89,047
- Finance cost	-	4,506,300
	<u>(1,523,473)</u>	<u>5,932,823</u>
<b>Operating (Loss) before Working Capital Changes</b>	(293,191)	(886,634)
(increase) / decrease in current assets		
- Short term investments	(652,726)	-
- Advances and other receivables	500	(3,000)
Increase / (decrease) in current liabilities:		
- Trade and other payables	3,395,598	(18,242,649)
	<u>2,743,372</u>	<u>(18,245,649)</u>
<b>Cash used in Operations</b>	2,450,182	(19,132,283)
Finance costs paid	-	(6,300)
<b>Net Cash used in Operating Activities</b>	2,450,182	(19,138,583)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Assets held for sale	-	19,000,000
<b>Net Cash generated from Investing Activities</b>	-	19,000,000
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term borrowings	(3,000,000)	-
<b>Net Cash from Financing Activities</b>	(3,000,000)	-
<b>Net Increase in Cash and Cash Equivalents</b>	(549,818)	(138,583)
Cash and cash equivalents at the beginning of the period	2,005,392	1,678,966
<b>Cash and Cash Equivalents at the End of the period</b>	<u><u>1,455,574</u></u>	<u><u>1,540,383</u></u>

The annexed notes form an integral part of these accounts.

**CHIEF EXECUTIVE**

**DIRECTOR**



**PERVEZ AHMED SECURITIES LIMITED**  
 CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
 FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Share Capital Rupees (Un-Audited)	Share Deposit Money Rupees (Un-Audited)	Unappropriated (Loss) Rupees (Un-Audited)	Total Rupees (Un-Audited)
<b>Balance as at July 1, 2011</b>	774,575,790	291,500,120	(1,590,973,323)	(524,897,413)
Total comprehensive loss for the quarter ended September 30, 2011	-	-	(6,819,457)	(6,819,457)
<b>Balance as at September 30, 2011</b>	<u><u>774,575,790</u></u>	<u><u>291,500,120</u></u>	<u><u>(1,597,792,780)</u></u>	<u><u>(531,716,870)</u></u>
<b>Balance as at July 1, 2012</b>	774,575,790	293,400,120	(1,614,943,049)	(546,967,139)
Total comprehensive income for the quarter ended September 30, 2012	-	-	1,230,282	1,230,282
<b>Balance as at September 30, 2012</b>	<u><u>774,575,790</u></u>	<u><u>293,400,120</u></u>	<u><u>(1,613,712,767)</u></u>	<u><u>(545,736,857)</u></u>

The annexed notes form an integral part of these accounts.

CHIEF EXECUTIVE

DIRECTOR

**PERVEZ AHMED SECURITIES LIMITED**

**NOTES TO THE CONDENSED INTERIM UN-AUDITED FINANCIAL  
INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

Note 1

**The Company and its Operations**

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Pervez Ahmed Securities Limited was incorporated under the Companies Ordinance, 1984 on June 8, 2005 as a single member company and was listed on Karachi and Lahore Stock Exchanges on June 21, 2007. The principal activities of the Company include shares brokerage and trading, consultancy services and underwriting. The registered office of the Company is situated at 20-K Gulberg II, Lahore.

Note 2

**Basis of Preparation**

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These accounts have been prepared in accordance with the requirements of the Companies Ordinance, 1984 and International accounting Standard, IAS 34 " Interim Financial Reporting."

This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2012. Comprehensive balance sheet is extracted from annual audited financial statements for the year ended June 30, 2012 whereas comparative profit & loss account, statement of comprehensive income, statement of changes in equity and cash flow statement are stated from unaudited interim financial information for the quarter ended on September 30, 2011.

These accounts are un-audited and are being submitted to the shareholders as required by Section 245 of the Companies Ordinance 1984.

Note 3

**Accounting Policies**

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The accounting policies and methods of computation followed in the preparation of these financial statements are the same as those of the published in the annual financial statements of the Company for the year ended June 30,2012.

Note 4

**Contingencies and Commitments**

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**Contingencies**

Last year, JS Global Capital Limited, one of the creditors, filed a suit against the Company for recovery of Rs. 36.574 million including late payment surcharge aggregating to Rs. 17.455. million. The Company has filed a counter claim of Rs. 18.86 million against the creditor. No additional liability has been provided as management expects favourable outcome of the litigation.

**Commitments**

There are no material commitments outstanding at the close of the balance sheet date (June 30, 2012: Nil).

Note 5

**Transactions with Related Parties**

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The related parties comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties other than remuneration and benefits to key management personnel under the terms of their employment.

	<b>July 1 to September 30, 2012 Rupees</b>	<b>July 1 to September 30, 2011 Rupees</b>
Associated undertaking		
Funds received from associated undertaking	-	650,000
Directors		
Funds received from / repaid to director(s)	3,755,000	(18,900,000)

Note 6

**Authorization of Financial Statements**

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These interim financial information have been authorized for issue on October 31, 2012 by the Board of Directors of the Company.

Note 7

**General**

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Figures have been rounded off to the nearest rupees.

Figures of the corresponding period have been re-arranged , wherever necessary, to facilitate comparison. No material rearrangement has been made during the period.

**CHIEF EXECUTIVE****DIRECTOR**

**Registered Office:** | 20-K Gulberg II, Lahore.

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